

*Lee J*

*Twentieth Annual Report*  
**CANDORE EXPLORATIONS LIMITED**



*For the Year Ended December 31, 1965*



# CANDORE EXPLORATIONS LIMITED

25 Adelaide Street W., Toronto 1

*(Incorporated under the Laws of the Province of Ontario)*

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## OFFICERS

H. R. HEARD	-	-	-	-	-	-	-	-	-	-	-	President
K. J. BENNER	-	-	-	-	-	-	-	-	-	-	-	Vice-President
L. V. BARBISAN	-	-	-	-	-	-	-	-	-	-	-	Secretary-Treasurer
J. GEDDES	-	-	-	-	-	-	-	-	-	-	-	Assistant Secretary

## DIRECTORS

H. R. HEARD	-	-	-	-	-	-	-	-	-	-	Toronto, Ontario
K. J. BENNER	-	-	-	-	-	-	-	-	-	-	Toronto, Ontario
L. V. BARBISAN	-	-	-	-	-	-	-	-	-	-	Cooksville, Ontario
M. KIRSH	-	-	-	-	-	-	-	-	-	-	Toronto, Ontario
P. J. SULLIVAN	-	-	-	-	-	-	-	-	-	-	Toronto, Ontario

## AUDITORS

McDONALD, NICHOLSON & Co.  
Toronto, Ont.

## REGISTRAR AND TRANSFER AGENTS

THE STERLING TRUSTS CORPORATION  
372 Bay Street, Toronto, Ontario



# CANDORE EXPLORATIONS LIMITED

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## *President's Report to the Shareholders*

On behalf of the Directors of Candore Explorations Limited, I am pleased to present to you the 20th Annual Report containing financial statements as at December 31, 1965, reported upon by your auditors, McDonald, Nicholson & Co., Chartered Accountants.

### **Dorothea and Sandra Townships Property**

During 1965 the company explored the 36 unpatented mining claims situated in Dorothea and Sandra Townships, District of Thunder Bay, Ontario, that it had an option to purchase. The property was mapped geologically, and 3,766 feet of diamond drilling were completed.

Although there were indications of mineralization, the work did not prove sufficiently encouraging to warrant exercise of the option, and on the recommendation of the company's consulting geologist it was allowed to lapse and the claims were returned to the vendor.

### **Phillips Township Property**

As indicated in our last Annual Report, the Directors did not consider the company was justified in exercising the option it had to purchase the 7 patented mining claims and 2 licenses of occupation, situated in Phillips Township, District of Kenora, Ontario, and returned the claims to the vendor when the option expired.

### **Strathcona Township Property**

In November, 1965, Candore acquired an option to purchase 45 unpatented mining claims in the Township of Strathcona, Ontario, for the consideration set out in Note 1 to the financial statements included in this report. A geophysical survey of these claims was made in conjunction with contiguous claims belonging to another company. Results of this survey have not yet been fully appraised and no decision has been made yet with respect to future exploration of the claims.

### **Irish Property**

Candore Explorations Limited, Langis Silver & Cobalt Mining Company Limited and Craibbe-Fletcher Gold Mines Limited are participating, in equal portions, in the exploration of properties covered by 3 mining concessions in Counties Kerry and Cork, Ireland. Geochemical and soil analysis surveys were completed on these properties with sufficiently encouraging results to warrant diamond drilling. As the drilling commenced very recently, we do not have any information to include with respect to it in this report.

### **General**

Although no work was done on the company's properties in Opawica, Senne-terre, and Jessop Townships, they are still in good standing.

The Annual Meeting of the Shareholders of the company will be held in Suite 416, 25 Adelaide Street West, Toronto, Ontario, at 11 o'clock in the forenoon, May the 18th, 1966. If you are unable to attend in person and wish to be represented, you may complete and return the enclosed form of Proxy to the company's head office.

Respectfully submitted on behalf of the Board,

H. R. HEARD,

President.

April 20, 1966.



# CANDORE EXPLORATIONS

(Incorporated under the Laws of Canada)

## Balance Sheet — 31st December, 1965

### ASSETS

#### CURRENT ASSETS:

Cash in Bank .....	\$ 71,630	
Accounts Receivable .....	16,152	\$ 87,782

#### INVESTMENTS:

Listed Shares of Other Mining Companies, at cost (Quoted Market Value \$3,638) .....	\$ 57,264	
Unlisted Shares of Other Companies, at not more than cost .....	9,400	
Oil Royalty Interest, at cost .....	9,556	76,220

MACHINERY AND EQUIPMENT, at cost .....		669
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#### INTEREST IN SUBSIDIARY COMPANY:

Dolphin-Miller Mines Limited (Note 3):		
Shares, at cost .....	\$ 109,225	
Advances .....	21,130	130,355

#### OTHER ASSETS:

Expenditures re Pidgeon Molybdenum Mines Ltd. — Recoverable from production profits only .....	\$ 61,504	
Exploration Expenditure on Mining Properties, per Statement herewith (Note 1) .....	350,906	412,410

ORGANIZATION EXPENSE .....		10,243
		<u>\$ 717,679</u>

The accompanying Notes form part of the Balance Sheet.

#### AUDITOR'S REPORT

To the Shareholders,  
CANDORE EXPLORATIONS LIMITED,  
TORONTO, Ontario.

We have examined the Balance Sheet of CANDORE EXPLORATIONS LIMITED and the Statement of Profit and Loss for the year ended on that date. Our examination included a general review of the evidence as we considered necessary in the circumstances.

In our opinion the accompanying Balance Sheet and related Statements of Profit and Loss of the Company at 31st December, 1965, and the results of its operations for the year ended on that date are in accordance with that of the preceding year.

TORONTO, 17th March, 1966.

# ATIONS LIMITED

(of the Province of Ontario)

December, 1965

## LIABILITIES

### CURRENT LIABILITIES:

Accounts Payable and Accrued Charges ..... \$ 4,036

### SHAREHOLDERS' EQUITY:

#### Capital Stock (Note 2):

Authorized 5,000,000 shares of Par Value \$1.00 each ..... \$5,000,000

Issued and Fully Paid:	Par Value	Discount
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Balance, 1st January, 1965 .....	\$3,910,000	\$2,324,000
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Issued during the year:

For Cash .....	300,000	250,000
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Balance, 31st December, 1965 .....	\$4,210,000	\$2,574,000	1,636,000
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Surplus arising from Reorganization of Capital Structure ..... 162,978

\$1,798,978

Deficit per Statement herewith ..... 1,085,335 713,643

Approved on behalf of the Board:

H. R. HEARD, Director.

L. V. BARBISAN, Director.

\$ 717,679

integral part of this Statement.

## REPORT

st December, 1965, together with the Statements of Deficit and Exploration Expenditure on  
y of the accounting procedures and such tests of accounting records and other supporting

exploration Expenditure on Mining Properties present fairly the financial position of the  
e, in accordance with generally accepted accounting principles applied on a basis consistent

McDONALD, NICHOLSON & CO.,  
Chartered Accountants.

# CANDORE EXPLORATIONS LIMITED

## *Statement of Deficit*

For the year ended 31st December, 1965

BALANCE, 1st January, 1965 .....			\$ 992,941
Amount transferred from Statement of Exploration Expenditure on Mining Properties	\$ 60,076		
INDIRECT EXPENSES:			
Annual Meeting Expenses .....	\$ 1,197		
Directors' Fees .....	750		
Head Office Maintenance .....	4,400		
Legal and Audit .....	960		
Printing, Stationery and Office Expense .....	469		
Publicity .....	655		
Taxes Other than Income .....	473		
Transfer Agent's Fees and Expense .....	1,469	10,373	
Loss on Sale of Securities .....		25,390	
			\$ 95,839
MISCELLANEOUS INCOME:			
Interest .....	\$ 3,425		
Royalties .....	20	3,445	92,394
BALANCE, 31st December, 1965 .....			<u>\$1,085,335</u>

The accompanying Notes form an integral part of this Statement.



# CANDORE EXPLORATIONS LIMITED

## *Statement of Exploration Expenditure On Mining Properties*

For the year ended 31st December, 1965

### EXPLORATION EXPENSES:

Assaying .....	\$	535	
Diamond Drilling .....		19,800	
Equipment Rental and Bulldozing .....		529	
Mining License and Taxes .....		368	
Miscellaneous Supplies and Expenses .....		269	
Professional Services .....		7,653	
Staking and Recording .....		4,418	
Supervision, Wages and Board .....		1,927	
Telephone .....		367	
Travelling .....		3,257	\$ 39,123

PROPERTY PURCHASE AND OPTION PAYMENTS .....			20,500
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Balance, 1st January, 1965 .....			351,359
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<i>Deduct:</i> Amounts written off and transferred to Deficit Account .....			60,076
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BALANCE, 31st December, 1965 .....			\$ 350,906
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Property Purchase and Option Payments .....	\$	209,835	
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Exploration Expenses .....		141,071	
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	\$	350,906	\$ 350,906
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The accompanying Notes form an integral part of this Statement.

# CANDORE EXPLORATIONS LIMITED

## *Notes to Financial Statements*

31st December, 1965

### 1. MINING PROPERTIES:

The Company completed, during the year ended 31st December, 1965, the purchase of 4 unpatented mining claims in the Township of Senneterre, Province of Quebec, by the payment of \$515.30 and 175,000 shares of Mildove Mining Company Limited, in accordance with the terms of an agreement dated 12th April, 1965, such claims having been valued at \$10,000.00.

By agreement dated 18th November, 1965, the Company acquired an option to purchase 45 unpatented Mining Claims in the Township of Strathcona, Province of Ontario. If the option is exercised the purchase price is to be satisfied as follows:

- (a) the sum of \$2,500.00 payable to the optionor on 25th November, 1965 (Paid),
- (b) the further sum of \$7,500.00 payable to the optionor by 25th November, 1967, and
- (c) the allotment and issue to the optionor of 200,000 fully paid shares of the capital stock of a new company to be formed, which shares will be part of the consideration Candore shall receive as vendors of the claims to the new company.

In the event that Candore abandons its option to purchase the claims, all payments made shall accrue to the optionor.

### 2. CAPITAL STOCK:

Under the terms of an underwriting agreement dated 8th March, 1965, the Company issued, during the year, 300,000 shares of its Capital Stock at varying prices for an aggregate consideration of \$50,000.00. There are no further obligations under the said agreement.

### 3. SUBSIDIARY COMPANY:

The accounts of the subsidiary, Dolphin-Miller Mines Limited, have not been consolidated with those of the Company as it is developing its property and expenditures since acquisition of control have been deferred to future operations.

### 4. FUTURE COMMITMENT:

The Company entered into a joint exploration programme in equal proportions with Langis Silver & Cobalt Mining Company Limited and Craibbe-Fletcher Gold Mines Limited for the purpose of acquiring mineral concessions in Ireland and, in connection therewith, the Board of Directors has authorized the expenditure of amounts not to exceed \$8,000.00.





